



*Department
of
Education*

Task Order 101

ERM Solution Acquisition Plan

June 11, 2002

FEDERAL STUDENT AID (FSA)
Solution Acquisition Plan
Electronic Records Management

Created On: 6/11/02

Version: 1.0

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This document is a planning tool to be used by FSA to plan and manage the acquisition of a COTS-based solution to provide records management capabilities. System acquisition planning should be reviewed periodically by the acquiring organization and by the project manager.

This plan's purpose is to develop a realistic overall business strategy for managing the acquisition to deliver a cost-effective system in a timely manner. This plan incorporates information from the Business Case, as well as, important additional information needed to manage the project. The plan is developed in accordance with the System Life Cycle (SLC), which outlines that the System Acquisition Plan is developed during the Vision Phase and maintained throughout the remaining phases.

Project Name: Electronic Records Management

Channel: CFO, Schools

Project Sponsor: Jim Lynch / Kay Jacks

Project Lead: Cheryl Queen / Jiji Alex

Initiative Description

Describe the need for change (the business problem to be addressed).

Information is a vital business tool, as well as an essential business resource. For information to be truly effective, it must be recorded in some form, stored in an appropriate system, and retrieved in an efficient manner. Records are the memory of an organization. They document information for management decisions, provide litigation support, show compliance with Government regulations, and supply historical information about an organization. Thus, one of the most important functions in any Federal agency is the management of its records. For this reason, Federal law and regulations mandate that all Federal agencies must implement sound records management practices. Another driver in this initiative is the Government Paper Elimination Act (GPEA). It requires agencies to develop information systems that enable online submissions of forms, reports and other data.

An Electronic Records Management (ERM) solution provides the capability to create, store, retrieve, and archive/dispose of the information protecting the organization from unnecessary legal liabilities. When implemented, the ERM system will provide FSA with the tools necessary to effectively manage official records in accordance with the GPEA, Federal Records Act, the Freedom of Information Act (FOIA), the Privacy Act, the General Records Schedule and the Department of Education's Records Disposition Schedule. An ERM solution thus helps ensure that FSA is in compliance with Government regulations.

A significant portion of the backfile paper at FSA is estimated to reside within 7200+ school files managed by the Document Receipt and Control Center (DRCC) staff. Collecting, copying, screening, disseminating, reviewing and filing all these documents is an extremely awkward, labor-intensive and

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time-consuming process. It also adversely affects the quality of services the Department delivers to its customers through lost documents, review mistakes, longer resolution periods, etc.

By implementing a phased ERM solution, FSA will be able to improve its efficiency in managing filing, storage, and retrieval of its records. This initiative will also increase employee productivity associated with online access to key organizational materials. According to Washington Technology, "An average Government employee spends 25 percent of the workday trying to retrieve information." The Gartner Group places the figure closer to 50 percent. The deployment of a Web-based ERM system will dramatically change the way business is performed. FSA employees around the country will have immediate online access to critical information, thereby improving their overall job performance and customer satisfaction.

After successful implementation of this ERM solution, OGC approved paper documents could be destroyed after they have been scanned and stored into the system, thereby reducing on-going storage and retrieval costs.

Legislative Mandates for ERM

Government Paperwork Elimination Act (GPEA)—This act, signed into law October 1998, directs Federal agencies to provide public access to Government services and documents by 2003, and to give the public the option of submitting Government forms electronically. GPEA provides the legal framework for agencies to accept electronically submitted forms and documents. Under GPEA, agencies will develop information systems that enable online submissions of forms, reports, and other data.

National Archives and Records Administration (NARA) - NARA is an independent Federal agency that oversees the management of all Federal records. Every Federal agency is legally required to manage its records and all Federal agency records management programs must comply with regulations promulgated by NARA. NARA has adopted the Department of Defense (DOD) Design Criteria Standard for Electronic Records Management Software Applications (Revision 1)(DOD 5015.2) and its certification process.

FOIA (as amended)—Re-enactment of this legislation continues to demonstrate the purpose of the Government to provide, for public consumption, the information that is used in performing governance, subject to some provisions to protect privacy, security, and work in progress.

Paperwork Reduction Act (PRA)—This act requires all Federal agencies to obtain approval from the Office of Management and Budget (OMB) before collecting information from the public. Ways of collecting information include questionnaires, focus groups, telephone surveys, applications, performance reports, customer satisfaction surveys, studies and evaluations, interviews, forms, and any other means of requesting information from 10 or more respondents.

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Critical Information Protection—Presidential Decision Directive 63 (PDD-63) requires attention to infrastructure protection in all programs now fully implemented. Agencies are submitting IT plans that include segments to assure such protection. The Federal Government is in its second annual round of reporting budget requirements for assuring the protection of its information investments. Increased awareness of vulnerabilities and training of all personnel involved in the processing of automated data are key to an effective program. PDD-63 imposes certain reporting requirements on agency IT managers. The agencies will spend almost a billion IT dollars on security, including physical access control, information assurance, and infrastructure protection.

What is the purpose of the initiative?

The purpose of this initiative is to deploy a flexible, web-based Electronic Records Management solution, for FSA's Document Receipt and Control Center users, certified by National Archives and Records Administration (NARA).

This state-of-the-art solution will provide indexing, storage, retrieval and records management capabilities for both paper and electronic documents. This initiative will also deploy an FSA-wide repository design that can be integrated with other current and planned modernization initiatives (e.g. Loan Origination, Loan Consolidation, E-signature promissory note etc.)

When implemented, the ERM system will provide FSA with the tools necessary to effectively manage official records in accordance with the Federal Records Act, the Freedom of Information Act (FOIA), National Archives and Records Administration, the Privacy Act, the General Records Schedule and the Department of Education's Records Disposition Schedule.

The deployment of the proposed Web-based ERM system will dramatically change the way business is performed within FSA. FSA employees around the country will have immediate online access to critical information, thereby improving their overall job performance and customer satisfaction.

What is the scope of the initiative, including what it is not?

The Electronic Records Management initiative is a straightforward Information Technology project. The project consists of planning, design, integration, testing, and deployment stages.

Specifically, the scope includes:

- Designing and configuring a COTS-based NARA-certified ERM solution,
- Testing and implementing a scalable and flexible ERM solution,
- Providing 300+ Case Management and Oversight (CMO) and Financial Partners (FP) users with secure web-based access to the solution,
- Producing training materials and delivering training sessions for CMO and FP users,

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- Designing and deploying an enterprise-wide ERM repository that can integrate with current FSA systems such as Loan Origination, Common Origination and Disbursement (COD), E-signature promissory note and other planned initiatives,

Additional objectives include:

- Plan for, and provide operational support for help-desk, disaster recovery, storage and security services for the ERM solution,
- Establishing any contracts necessary to support ongoing operations and maintenance activities,
- Converting identified paper documents within FP, DRCC, Default Management (DM) and Administrative Actions and Appeals (AAA) groups into electronic images in accordance with the approved FSA scanning procedures.
- Implementing a go-forward strategy to scan, store and retrieve new incoming paper for CMO and FP users.
- Elimination of facilities used to retain paper copies.
- Elimination of contractor staffing required for filing, processing and retrieving paper documents contained within the CMO school files.

The scope of this initiative does not include:

- Reengineering any Case Management and Oversight business processes,
- Providing users other than those within CMO, and FP, with on-line access to scanned images,
- Converting backfile paper documents for FSA's regional offices.

It is expected that FSA would extend this ERM solution to other business units in a later phase, thereby fulfilling the strategic objective of implementing an 'Enterprise-wide' Electronic Records Management Solution. This business case would then be modified to include quantified benefits and costs for the same.

What is the start date and end date of the initiative?

This initiative commenced on September 27, 2000, with approval to proceed based on presentations to FSA Chief Operating Officer (COO) and the FSA senior leadership team. The initial task order vehicle used operational funds to design and deploy the interim solution. In addition, activities to scan, index and convert over 6 million paper documents within DRCC into electronic images within DRCC are currently underway and are expected to conclude by end of March 2002.

Initial operational capability (IOC) for an ERM solution is expected in October 2002, with deployment to the regions to be completed during calendar year 2004. This initiative is using a proven phased implementation approach to deploy the ERM capabilities, thereby minimizing risk to business continuity.

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What other business areas/external groups are affected by the implementation of this initiative and how are they affected?

The implementation of this solution will impact the CMO (Schools channel), Financial Partners channel and the FSA Office of General Counsel. It will increase information sharing and communications internally across business units.

Business Area/Groups	Related Responsibility	Impact
FSA Document Receipt and Control Center (DRCC) and Case teams	Receipt and processing of hardcopy files for over 7200 member institutions. Institution files include eligibility and certification materials, financial statements, compliance audits, and program reviews.	All existing backfile paper documents (approx. 6 million) are being scanned and converted into electronic images. Web-based access to documents are provided to all DRCC users.
FSA Financial Partners (FP)	Supports lenders and guaranty agencies in delivering aid to students. Determines program eligibility for financial partners, assists them on program changes and distributes payments to lenders and guaranty agencies.	Improved user productivity. Enhanced search and retrieval capabilities. Users are provided secure web-based access to scanned documents.
FSA Administrative Actions and Appeals Division (AAA)	Administer the Secretary's authority to take action against institutions participating in Title IV Programs.	Users are provided secure web-based access to reading files. Search and retrieval capabilities are improved significantly and overall processing time is reduced.
FSA Default Management (DM)	Coordinate default rate calculations and participation in the Direct Loan and Pell Grant Programs.	Improved user productivity. Enhanced search and retrieval capabilities. Minimize number of lost and misplaced documents.

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Business Area/Groups	Related Responsibility	Impact
FSA Administration	Administer records management and archival processes and procedures.	Will be able to effectively administer policies and procedures, thereby enhancing compliance with Federal regulations.
Office of General Counsel (OGC)	Assist in determining records management policies for scanned documents and approving disposal of paper files.	Scanned paper will not be destroyed until OGC approvals are obtained. Monitor and approve ERM records management policies and procedures.

Regional offices will be provided with secure web-based access to materials based on their current business practices. Conversion of back-file paper at regional offices and for other FSA business units will be provided in subsequent business cases, on an as-needed basis.

What systems are impacted by the implementation of this initiative and how are they impacted?

The FSA records management solution will not impact back-end systems. There are no impacts or planned modifications to any existing FSA system to implement the ERM solution.

However, as part of this initiative, an enterprise-wide ERM repository will be established to store electronic documents. This repository can also be leveraged to store electronic documents for Loan Origination/Loan consolidation (LO/LC), E-signature promissory notes and Common Origination and Disbursement (COD) systems. Hence, modifications to these systems will be required, should FSA chooses to leverage the repository more effectively.

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What business processes are impacted by the implementation of this initiative and how are they impacted?

A significant impact on the DRCC and Case management team activities is anticipated. Case Management staff will be more productive, as they will not have to handle volumes of paper, enter redundant data, copy and mail documents and search for misplaced documents.

Productivity improvements and immediate online access to documents will enable more efficient and effective financial statement and compliance audits.

This initiative replaces many of the current practices associated with the manual processing of paper records and documents. The deployment of the ERM system will require extensive revisions to the Department's File Plan (1986) and Records Control Schedule (revised March 2000). These documents provide Departmental procedures for management, control, and disposal of official Government records. These automated processes will standardize and improve the following business processes:

- Filing and retrieving official files and hardcopy materials
- Limit reproduction of records and documents for FSA-wide dissemination
- Establishment and application of common Federal standards for records management across FSA
- Remote access of current FSA Washington files from regional offices
- Processing of FOIA requests
- Enhanced management control and security over official files (for example, document-level security)

The implementation of this plan will be done in 2 phases. The release plan will continue to be refined as we progress through the 2 phases.

Acquisition Strategy

Sources

FSA Modernization Partner can meet this requirement for modernizing FSA systems and providing a stable ERM solution in a timely manner. Modernization Partner will provide the resources for design, integration and deployment with FSA contributing subject matter expertise and support. These resources are needed to integrate and deploy COTS software, design the enterprise repository, and host the ERM solution.

Competition

Fixed price contract issued to the FSA Modernization Partner.

Contract Considerations

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Fixed price contract to FSA Modernization Partner for FY02- FY03.

ERM Deployment Deliverables – Task Order 25 (Phase 1)

Number	Deliverable	Due Dates
25.1.1	Best-in-Business Solutions Presentation	1/3/01 Completed
25.1.2	Organizational Communications Plan	12/15/00 Completed
25.1.3	Project Plan, including Work Breakdown Structure	12/15/00 Completed
25.2.1	Records Management Handbook	1/19/01 Completed
25.2.2	Requirements Specification	2/15/01 Completed
25.2.3	ERM Solution	1/31/01 Completed
25.2.4	EDM Business Case	10/15/01 Completed
25.2.5	Imaging Vendor Selection Report	10/15/01 Completed
25.3.1	Document Imaging Strategy Procedures	10/31/01 Completed
25.3.2	File Plan	10/31/01 Completed
25.3.3	FSA Records Control Schedule	11/15/01 Completed
25.4.1	Preliminary System Configuration Specification	11/15/01 Completed
25.4.2	Go-Forward Solution	2/28/02 Completed
25.5.1	Back-File Conversion	4/30/02 Completed
25.5.2	Conversion Status Report	4/30/02 Completed

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ERM Deployment Deliverables – Task Order 101 (Phase 2)

Number	Deliverable	Acceptance Criteria	Due Dates
Phase II			
101.1.1	ERM Acquisition Plan	One document providing the following: <ul style="list-style-type: none"> • Solution Acquisition Plan based on the SLC plan template. 	06/10/02
101.1.2a	Operational Status Report – June 2002	One document providing status on the following activities: <ul style="list-style-type: none"> • System and database administration tasks. • Upgrades and required patches to system and database components. • Performance tuning activities. • Backup and restoration services. • ERM solution hosting at ASP site. • Storage services for scanned images. 	06/30/02
101.1.2b	Operational Status Report – September 2002	Same criteria as above.	09/30/02
101.1.3	ERM Help Desk Procedures	One document, which includes procedures for the following activities: <ul style="list-style-type: none"> • Functional and technical queries. • User requests. • User password. • System availability verification/communications. 	06/30/02
101.1.4	FSA ERM Product Overview	One document, which includes the following activities: <ul style="list-style-type: none"> • COTS-based product selection. • Solution implementation. • Transition strategy. 	07/30/02
101.1.5	Repository Requirements Specification	One document containing high-level requirements for the ERM repository, including the following: <ul style="list-style-type: none"> • Requirements that satisfy ERM needs. • Requirements from other identified initiatives within the Schools Channel (e.g., E-audits and COD). • Requirements from imaging initiatives within the Students Channel. 	08/15/02
101.1.6	Repository Design Specification	One document providing a high-level design of the ERM repository.	09/20/02

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Other Milestones:

ERM Proof of Concept: Sep 2002
Production Readiness Review: Jan 2003
ERM Solution deployed to DC-based users: Feb 2003
NARA certification: Apr 2003
Begin ERM deployment to FSA regions: Aug 2003

Acquisition Resources

The roles and responsibilities involved in the solution acquisition are listed below.

Role	Name	Organization
Executive Project Sponsor	Jim Lynch /Kay Jacks	FSA
Project Lead	Cheryl Queen / Jiji Alex	FSA, Mod Partner
Information Technology Representative	William Walsleben	Mod Partner
Contracting Officer	Janet Scott	FSA
Contracting Officer's Technical Representative (COTR)	Carol Seifert	FSA
Source Selection Authority	NA	
CIO Representative(s)	Cheryl Queen	FSA
Independent Reviewer of the cost and schedule estimate *	Debra Subowicz	Mod Partner
Other (e.g., IPT members, contractor support, subject matter experts)	Len Matheny / Mary Sandness Monica Woods Jim Barnard Randall Wolff Christina Stoddard Geneva Coombs Robert Clayton	ECMC FSA FSA FSA FSA FSA FSA

* In this instance, "independent reviewer" means a review by an individual(s) other than the author(s) of the cost and schedule estimates.

Benefits

The benefits of an ERM system can be categorized into four main areas:

- Reduced unit cost,
- Increased customer satisfaction,
- Increased employee satisfaction and
- Improved adherence to Federal Records management standards and guidelines.

The impact on these areas and specific benefits realized are discussed below:

Reduced Unit Cost

A key benefit of implementing an ERM system is the conversion from file cabinets to electronic storage. Typically, the standard file cabinet occupies between 7.0 and 8.5 square feet of floor space, including working area. Growth of documents can be managed within the ERM system with minimal costs compared to the cost of providing additional space, either in the Union Station Building or off-site. The cost of future filing is virtually eliminated. With the elimination of traditional manual filing systems, the high cost of staffing to maintain and administer traditional filing techniques is reduced.

According to the Gartner Group, Inc., an independent information technology (IT) research group, document mismanagement is costing office workers 40–60 percent of their time, 20–45 percent of their salary costs, and 12–15 percent of an organization's revenues.

For example:

- A \$30/per hour knowledge worker wastes \$4,500 per year in lost productivity searching and waiting for documents.
- Nearly 15 percent of business documents are misplaced, and 7.5 percent are lost completely¹
- The number of sheets of paper used by a company increases by 8.8 million sheets per \$100M increase in revenues.
- The average business document is copied up to 19 times.
- It costs nearly \$25,000 to fill a four-drawer filing cabinet, and over \$2,000 to maintain it per year.²

Inherent in manual filing systems is the need to make numerous copies of documents to satisfy various business requirements. The responsibility of office managers today is to keep office expenses under control. But with rising copy costs and increased numbers of photocopies, the responsibility becomes a

¹ INC Magazine: Coopers and Lybrand, 1993

² Gartner Group, Inc., 2000

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challenge. An imaging/document management system significantly reduces photocopy requirements by allowing documents to be shared without the need to create additional copies. As examples:

- The filing cost for paper documents is \$30.
- Additional labor costs equal \$120 if the document is not in the right place.
- Recreating a lost document, either by requesting it again or retyping it, creates an additional \$250 worth of labor.
- One in 20 documents is lost and never recovered.³

Additionally, 80–90 percent of all records in the average organization are paper-based. Experience continues to show that 30–40 percent of all recorded information can be immediately deleted from electronic systems or paper systems because 30–40 percent of all recorded information in the average organization is unnecessary duplicate copies of records that are maintained elsewhere within the organization.⁴

Another 20–30 percent of all records can be transferred to an on-site records area for maintaining inactive records, or outsourced to a commercial records management center, or converted to other media for occasional access.

The overall unit cost of delivering student aid will be reduced by:

- Reducing operating costs associated with building space, storage, copying, and processing, and the transfer/shipping/ mailing of paper records.
- Reducing the cost of maintaining paper files.
- Eventually providing an integrated document and records management system that will manage all FSA information holdings from an Enterprise perspective, both paper and electronic, and provide immediate access.
- Streamlining processes to reduce the number of steps required to complete an activity.
- Improving quality by applying consistent work methods to FSA work products.
- Enabling better security and management control over official records, thereby reducing potential lost revenues.

³ Office World New – September 1996

⁴ Office Systems, March 1997

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The potential annual savings available from the Electronic Records Management solution are approximately \$1.7 million, just for DRCC. The individual dollar benefits are quantified in the benefits table.

Quantified Benefit (\$)	How will benefit be measured/realized?	When will benefit be realized?
Estimated annual benefits of approx. \$1.7 million for DRCC.	<ul style="list-style-type: none">– Lower operating costs:<ul style="list-style-type: none">✓ Paper – elimination of copying costs✓ Mail – multiple copies need not be mailed to regional offices✓ Filing – reduced costs for filing and maintaining paper-based files at DRCC.✓ Storage – reduced costs for storage of paper-based files.– Reduced contractor costs resulting from fewer staff to perform filing, copying and retrieval functions.– Productivity improvements realized for CMO and FP users.– Cost avoidance by re-allocating FSA personnel to fill open positions. Annual reduction in FSA-wide recruitment costs by filling vacancies through the reallocation of existing FSA staff.	<ul style="list-style-type: none">– Benefits realized beginning Mar 2002 after interim solution is fully deployed and user adoption of solution.– Cost avoidance will be realized as the ERM system is deployed and paper-based files are eliminated.

Assumptions are listed in the Quantified Benefits Table.

Increased Customer Satisfaction

Primary among these benefits is the ability to provide immediate response to customer inquiries, or to retrieve relevant documentation, while directly servicing the customer. This directly enhances efforts to improve overall customer satisfaction.

The use of an ERM system offers opportunities to achieve these improvements by providing immediate and direct accessibility to required documentation at the servicing workstation. The time delays traditionally associated with document retrievals are virtually eliminated, or at least significantly reduced.

Additionally, records stored in an ERM system can be effectively and efficiently stored off-site as part of an integrated, disaster recovery plan. Paper documents stored in office areas are subject to damage

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from fire, improper storage, and repeated handling. The loss of paper records due to fire, or due to water damage as the result of a fire, can have severe repercussions for an organization. For example, 90 percent of U.S. organizations in private business or industry that lost their records due to some type of disaster in a 25-year period between 1970 and 1995, never opened their doors again.⁵

Customer service will improve by:

- Reducing the time necessary to respond to customer inquiries.
- Processing grants, loans, and other customer requests more efficiently.
- Providing the infrastructure to leverage future initiatives and improving the quality of FSA customer service.
- Increasing security and disaster safeguards.

Quantified/Qualitative Benefit	How will benefit be measured/realized?	When will benefit be realized?
<ul style="list-style-type: none">– Improve response time to customer inquiries– Immediate acknowledgement of receipt upon submission– No need to produce and mail multiple copies of documents– Elimination of lost documents– Creates quick access to any electronic record	<ul style="list-style-type: none">– Increase in FSA customer satisfaction survey scores– Reduction in backlog due to increased productivity.– Improved response time to questions from schools, guaranty agencies– Decrease in resolution time for deficient audits and flagged financial statements	<ul style="list-style-type: none">– Benefits realized beginning Mar 2002 after interim solution is fully deployed and user adoption of solution.

Assumptions are listed in the Quantified Benefits Table.

Increased Employee Satisfaction

The average manager spends 4 weeks a year waiting for documents, which impacts both productivity and satisfaction. Implementing an effective ERM system allows an organization to efficiently conduct business without affecting basic business needs.

⁵ Office Systems, March 1997

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Additionally, an ERM system can help reduce requirements that would normally be needed to perform tedious filing and retrieving of paper documents. This approach offers continuity within the workplace and maintains a high level of morale, while offering opportunities for internal advancement.

Employee satisfaction will be improved by:

- Increasing employee productivity through more efficient search and retrieval methods.
- Providing electronic access to critical information.
- Directing information to the right person at the right time.
- Allowing multiple users to access records concurrently.
- Minimizing the use of paper transactions and documents.

Quantified/Qualitative Benefit	How will benefit be measured/realized?	When will benefit be realized?
<ul style="list-style-type: none">– Improve responsiveness and quality of service– Increase collaboration among FSA offices and their employees– Enable document sharing, version control and concurrent access– Improved and efficient access to documents.– Always aware of missing or late documents– Enhanced tracking and reporting capabilities	<ul style="list-style-type: none">– Increase in employee satisfaction survey scores– Fewer complaints registered at performance feedback sessions– Eliminate the need to reassemble FSA materials for data calls. (for example OIG)– Number of misplaced and lost documents can be monitored.	<ul style="list-style-type: none">– Benefits realized beginning Mar 2002 after interim solution is fully deployed and user adoption of solution.

Assumptions are listed in the Quantified Benefits Table.

Improved Federal Records Management Compliance

By employing an ERM system, the system provides the capability to create, store, retrieve, and archive/dispose of the information protecting the organization from unnecessary legal liabilities. An ERM system helps ensure compliance with Government regulations.

For FSA to dispose of paper-based documents, a system must be put in place that can stand up to the legal challenges. Certain types of records must be retained for certain periods of time, and some must be retained indefinitely to meet statutory requirements. A record-retention program outlines when and which records must be retained for a minimum period, which records must be retained permanently, and which records can be destroyed or disposed of and when. Following a schedule

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allows an organization to operate consistently and enables it to provide the necessary documents to anticipate or support litigation, and to support its rationale for destroying or disposing of certain records. An ERM system uses records schedules to manage the organization's records automatically.

"According to David Barcomb, once paper records are stored, 35 percent are never accessed again; 60 percent are accessed only during the first year of storage; and only 5 percent are accessed after the first year."⁶ An effective records retention program provides benefits to the organization in terms of economic factors, operational efficiency, and legal protection or safeguards.

Quantified/Qualitative Benefit	How will benefit be measured/realized?	When will benefit be realized?
<ul style="list-style-type: none">– Deploying an effective ERM solution can support disposal of paper files– Reduces overall costs for storage of paper files– Enables compliance with several Federal Records management guidelines and standards– Provides legal protection.– Improve responsiveness and quality of service– Improved and efficient access to documents– Minimizes number of lost/misplaced documents	<ul style="list-style-type: none">– Monitor amount of storage required for paper files– Increased compliance with Federal records management guidelines– Eliminate the need to reassemble FSA materials for data calls. (for example OIG)– Number of misplaced and lost documents can be monitored.	<ul style="list-style-type: none">– Benefits realized beginning Mar 2002 after interim solution is fully deployed and user adoption of solution.

Assumptions are listed in the Quantified Benefits Table.

⁶ David Barcomb, Office Automation: A survey of Tools and Techniques

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Quantified Benefits Table

Description	BY (FY 02)	BY+1 (FY 03)	BY+2 (FY 04)	BY+3 (FY 05)	BY+4 (FY 06)	Total
Savings Realized						
1. Reduced DRCC Contractor costs	90,000	43,470	44,991	46,566	48,196	273,224
2. Reduced CMO Copying costs	93,800	166,428	172,253	178,282	184,522	795,285
3. Reduced CMO Shipping costs	69,105	122,612	126,904	131,345	135,942	585,909
Total Savings Realized	252,905	332,510	344,148	356,193	368,660	1,654,417
FSA-Wide Savings						
4. Enabling COD Business Case - Total Benefits			\$10-12 mil.	\$10-12 mil.	\$10-12 mil.	\$30 million
5. DRCC Cost avoidance thru reduced storage costs	13,333	20,000	20,700	21,425	22,174	84,299
Other Contingent Savings						
6. Cost Avoidance thru Productivity improvements		2,210,000	2,287,350	2,367,407	2,450,267	9,315,024

Assumptions:

All cost savings include a 3.5% annual growth. Cost avoidance is defined as reductions in expected future resource expenditures that result from investment in the selected alternative. i.e. we can avoid new costs because of ERM investments.

1. Total contractor staff in DRCC is currently at 24. We have assumed reduction of 4 contractor file clerks for 4 months in FY 02 with a burdened rate of \$30 per hour and 1 contractor for the remaining period thru FY06.
2. Management estimates approx. 25,000 pages copied monthly by DRCC for distribution. Regional case teams copy an additional 1200 pages monthly and DC case teams copy 3000 pages monthly for distribution. Assuming reproduction charges of 20 cents per page, total cost for all 10 regions and DC is \$ 160,800.
3. Estimated DRCC mailings to be approx. 8000 annually to the 10 regions at an average cost of \$11.95 per mailing.
4. Total COD benefits are estimated to be \$10-12 m annually for both FY 04 and FY 05 and COD project assumes the successful deployment of an enterprise-wide ERM repository in FY02. Vault Management and Promissory-Note storage are COD capabilities that can be realized by leveraging the ERM solution. ERM is thus one important component contributing to the overall COD savings.

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5. Assuming storage cost at \$25/sq. ft. for DRCC file room (approx. 20 ft. wide by 50 ft. long). Estimated cost savings is \$20,000 annually. Existing storage space could be used for other purposes in lieu of leasing new space, thus realizing savings.
6. Gartner group estimates 25% productivity improvement for efficient corporate ERM implementations. FSA's annual attrition rate is 3.5% (approx. 40 resources). If we implement ERM successfully, conservatively we can avoid replacing at least two-thirds of the people who now leave FSA voluntarily. Average loaded payroll cost of \$85k including benefits is assumed.

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Modernization Costs

	Prior to BY	BY	BY+1	BY+2	
Fiscal Year		FY 02	FY 03	FY 04	Total
ERM Modernization Costs					
a. ERM Solution Integration & Deployment		900,000	400,000		1,300,000
b. Enterprise Repository Planning & Design		400,000			400,000
c. Enterprise Repository Implementation & Integration		200,000	350,000		550,000
Total ERM Modernization Costs		1,500,000	750,000 *		2,250,000
Total FY02 IRB Funds Requested		1,500,000			

Authorizing an additional \$1.5 million will accomplish the following in FY02:

1. Purchase, integrate, test and deploy a COTS-based electronic records management solution.
2. Provide secure web-based access to the ERM solution for 300+ users and train users on new application.
3. Design, build and deploy an enterprise-wide repository that can integrate with current & planned FSA systems.
4. Develop NARA-compliant policies and procedures for document retention & disposition.
5. Transition from interim imaging solution to ERM solution and migrate documents into repository.
6. Plan, purchase, deploy and provide operational support for help desk, disaster recovery, storage and security services.

Operational Costs

	Prior to BY	BY	BY+1	BY+2	
Fiscal Year		FY 02	FY 03	FY 04	Total
ERM Operational Costs					
a. EDM Solution Planning, Design & Implementation	1,952,263				1,952,263
b. DRCC Back-file Conversion & Scanning Capabilities	717,660				717,660
c. Other FSA Departments Back-file Conversion		69,120	138,240		207,360
d. Go-Forward Scanning		9,000	18,630	19,282	46,912
e. Operations and Maintenance			144,900	169,972	314,872
Total ERM Operational Costs	2,669,923	78,120	301,770	189,254	3,239,067
Total FY02 ERM Operational Costs		78,120			

Assumptions

1. Line items a and b include the following completed activities:
 Planning, Requirements gathering and Analysis,
 Inventory of all FSA HQ paper
 FSA File Plan
 FSA Records Schedule & Records management policies

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Establishing Scanning Infrastructure

Back-file conversion of 6 million + paper documents

Go-Forward Strategy developed

Deployment of an interim solution to CMO users

2. Line item c assumes conversion of 600,000 pages (for AAA & DM) in FY02.
3. Line item c assumes conversion of 1.2 million pages (CFO, Contracts & Acquisitions, Analysis) in FY03.
4. Line item d assumes conversion of 7500 pages monthly beginning in Apr 02 and beyond.
5. Line item e includes help desk and application hosting costs.
6. Other business units using the repository will need to pay for their share of O&M and Go-Forward scanning costs.

Technologies Used

A COTS product will be used to configure the ERM solution. Until this solution is fully implemented, an interim solution using Optika's Acorde product will be used to provide web-based access to scanned documents. Electronic images are stored in PDF format on both WORM optical disks and a SAN array to ensure redundancy. The interim EDM solution is being hosted at an ASP site, operated by Educational Credit Management Corporation (ECMC).

Name/Type	Optika's Acorde, Open Text's Livelink/iRIMS or similar COTS product.
Proposed Use	Records /Document management
Has Technology Been Used at FSA Before? Where?	Yes. Similar technology used for the interim solution.
Does Technology Fit the FSA Architecture Standard? Explain.	Yes. This solution conforms to the Modernization Blueprint and established architecture guidelines.
Does FSA Have the Technical Expertise to Implement This Technology? Why?	Yes, with contractor support.

Accessibility - Section 508 Compliance

The Electronic Records Management initiative will comply with the guidelines outlined in Section 508 of the Rehabilitation Act of 1973. Since the effective date of Section 508 compliance is June 25,2001, all relevant aspects of ERM will comply with this regulation.

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The interim web-based solution is Section 508 compliant as it allows Federal employees with disabilities to have access to and use of information and data presented via the web front-end that is comparable to the access to and use of information and data by other Federal employees.

Any new COTS product being considered for this initiative will also undergo a Section 508 compliance review prior to acquisition. Any deviations and exceptions resulting from the review will be documented and appropriate workarounds will be developed in collaboration with FSA staff prior to solution deployment.

GPEA Compliance

The Government Paperwork Elimination Act, signed into law October 1998, directs Federal agencies to provide public access to Government services and documents by 2003, and to give the public the option of submitting Government forms electronically. GPEA provides the legal framework for agencies to accept electronically submitted forms and documents. Under GPEA, agencies are required to develop information systems that enable online submissions of forms, reports, and other data.

The interim solution is GPEA compliant and the ERM solution provides capabilities that enable FSA to be compliant with GPEA regulations.

Total Cost of Ownership

What is the level of required enhancements after implementation?

The level of required enhancement would be dependent upon FSA's IT strategy.

Ongoing application maintenance of the system will be required to ensure optimal system operation and utilization. Periodic upgrades, in the form of software releases provided by the COTS product vendor may be required to appropriately maintain the system.

Although no enhancements would be required, the proposed solution would position FSA for further enhancements that would provide quantifiable administrative cost savings, expeditious processing, improved reliability and consistency.

The enterprise repository and the storage infrastructure deployed for this ERM solution could be leveraged for other Modernization initiatives. (e.g. Loan Origination/Loan Consolidation, Common Origination and Disbursement, E-signature Promissory note)

What is the life span of this application?

If appropriately maintained, solution would have a life span of at least ten years or more.

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Alternatives

Alternative	Consequence
Remain as-is	FSA would continue to be cited and criticized by OIG/GAO for non-compliance with Federal records management guidelines. FSA would not be able to realize projected savings and would have to find increasing amounts of space to accommodate the ever-increasing volume of paper.
Non-technology solution	Same as above. No non-technology solution can satisfy the records and document management capabilities required.
Enhance existing system	The interim solution will be leveraged to deploy an effective ERM solution.
Implement on a smaller scale	No consequence. ERM solution is being implemented initially only for DRCC. This would provide maximum realization of business benefits for the least cost. The solution is flexible and can be scaled to satisfy other FSA business units at a later date.

Risks

Risk	Description of Risk	Mitigation Strategy
Financial	<ul style="list-style-type: none">- Delay in implementation will force CMO and FP users to begin re-filing paper documents.- Cost outweighs benefits of a backfile conversion.	Utilize a phase approach beginning with the DRCC implementation and measure results. Analyze FSA-wide implementation on a business unit by business unit case.
Technology	<ul style="list-style-type: none">- Requirements that extend COTS package customization beyond its capabilities.- Using technology that cannot be integrated with other Mod Partner initiatives.	Ensure that capabilities of the package selected and level of customization required is clearly understood. Review technical design to ensure compliance with FSA IT policy and overall IT architecture standards.
Scope	<ul style="list-style-type: none">- Scope creep.	Identify specific implementation requirements that will be supported. All changes to baseline requirements will be considered enhancements, requiring

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Risk	Description of Risk	Mitigation Strategy
		modifications to the Task Order. Reach agreement on funding allocations.
Personnel	- DRCC staff could delay adoption of ERM solution and staff could retain dual filing systems.	Educate and communicate the benefits of the solution. Identify concerns and proactively address these.

Project Management

Project status as well as major accomplishments, upcoming activities, major risks, and dependencies are documented and submitted to FSA using Bi-Weekly Mod Partner Task Order Status Reports.

Budget expenditures are tracked and managed by the Mod Partner Client Financial Management team. Weekly status meetings and on-demand meetings with CIO and the Channel Partners will be conducted.

Please refer to the project work plan for more details.

A Production Readiness Review (PRR) will be conducted to ensure requirements have been satisfied prior to acceptance and transition to support.

The objectives of the PRR are as follows:

- Review performance compared to anticipated value and success measures;
- Review converted data; and
- Assess the readiness of technology infrastructure.

Once the PRR has been completed, the solution will be deployed to the users.

Transition to Support

The Mod Partner team will provide support throughout duration of Phase 1 and Phase 2. Support responsibilities will be transitioned once FSA has chosen an appropriate support vendor.

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Document History

All revisions made to this document are listed here in chronological order.

Version Number	Date Modified	Name	Description
1	6/10/2002	Jiji Alex	Document creation